

BALL JANIK LLP

A T T O R N E Y S

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LOUIS E. GITOMER
OF COUNSEL
(202) 466-6532

November 12, 1998

RECORDATION NO. 21671-A, B, C FILED

NOV 12 '98

1-57 PM

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423

Dear Secretary Williams:

I have enclosed two originals of the first document and the original and one certified copy of two other documents described below, to be recorded pursuant to 49 U.S.C. § 11301.

The first document is a Memorandum of Lease Agreement, a secondary document, dated as of September 25, 1998. The primary document to which this is connected is recorded under Recordation No. 21671. We request this document be recorded under Recordation No. 21671-A.

The names and addresses of the parties to the Memorandum of Lease Agreement are:

Lessor:

Southern Rail Leasing, Inc.
955 South Virginia Street
Reno, NV 89502

Lessee:

Plasser American Corporation, Inc.
2001 Myers Road
Chesapeake, VA 23324

A description of the equipment covered by the Memorandum of Lease Agreement consists of 10 gondola cars numbered SRLX 2000-2009, inclusive (formerly numbered DEEX 9252, 9247, 9129, 9074, 9280, 9180, 9203, 9067, 9291, and 9231, respectively).

The second document is a Memorandum of Security Agreement and Lease Assignment, a secondary document, dated as of November 12, 1998. The primary document to which this is

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connected is recorded under Recordation No. 21671. We request that this document be recorded under Recordation No. 21671-B.

The names and addresses of the parties to the Memorandum of Security Agreement and Lease Assignment are:

Lender:

B → Crestar Leasing Corporation
120 E. Baltimore Street, 23rd Floor
Baltimore, MD 21202

Borrower:

Southern Rail Leasing, Inc.
955 South Virginia Street
Reno, NV 89502

A description of the equipment covered by the Memorandum of Security Agreement and Lease Assignment consists of 20 gondola cars numbered SRLX 2010-2029, inclusive (formerly numbered DEEX 9296, 9224, 9169, 9194, 9005, 9097, 9032, 9073, 9268, 9188, 9023, 9060, 9277, 9286, 9053, 9264, 9243, 9138, 9158, and 9045, respectively).

The third document is a Memorandum of Lease Agreement, a secondary document, dated as of November 12, 1998. The primary document to which this is connected is recorded under Recordation No. 21671. We request this document be recorded under Recordation No. 21671-C.

The names and addresses of the parties to the Memorandum of Lease Agreement are:

Lessor:

Southern Rail Leasing, Inc.
955 South Virginia Street
Reno, NV 89502

Lessee:

Plasser American Corporation, Inc.
2001 Myers Road

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Chesapeake, VA 23324

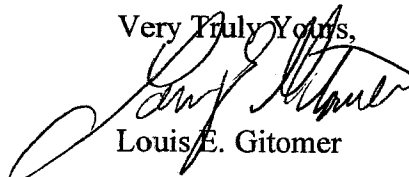
A description of the equipment covered by the Memorandum of Lease Agreement consists of 20 gondola cars numbered SRLX 2010-2029, inclusive (formerly numbered DEEX 9296, 9224, 9169, 9194, 9005, 9097, 9032, 9073, 9268, 9188, 9023, 9060, 9277, 9286, 9053, 9264, 9243, 9138, 9158, and 9045, respectively).

A fee of \$78.00 is enclosed. Please return the original of each document to:

Louis E. Gitomer
Of Counsel
Ball Janik LLP
Suite 225
1455 F Street, N.W.
Washington, DC 20005

A short summary of the document to appear in the index follows: (1) a Memorandum of Lease Agreement between Southern Rail Leasing, Inc., 955 South Virginia Street, Reno, NV 89502, and Plasser American Corporation, Inc., 2001 Myers Road, Chesapeake, VA 23324, covering 10 gondola cars numbered SRLX 2000-2009, inclusive (formerly numbered DEEX 9252, 9247, 9129, 9074, 9280, 9180, 9203, 9067, 9291, and 9231, respectively); (2) a Memorandum of Security Agreement and Lease Assignment between Crestar Leasing Corporation, 120 E. Baltimore Street, 23rd Floor, Baltimore, MD 21202, and Southern Rail Leasing, Inc., 955 South Virginia Street, Reno, NV 89502, covering 20 gondola cars numbered SRLX 2010-2029, inclusive (formerly numbered DEEX 9296, 9224, 9169, 9194, 9005, 9097, 9032, 9073, 9268, 9188, 9023, 9060, 9277, 9286, 9053, 9264, 9243, 9138, 9158, and 9045, respectively); and (3) a Memorandum of Lease Agreement between Southern Rail Leasing, Inc., 955 South Virginia Street, Reno, NV 89502, and Plasser American Corporation, Inc., 2001 Myers Road, Chesapeake, VA 23324, covering 20 gondola cars numbered SRLX 2010-2029, inclusive (formerly numbered DEEX 9296, 9224, 9169, 9194, 9005, 9097, 9032, 9073, 9268, 9188, 9023, 9060, 9277, 9286, 9053, 9264, 9243, 9138, 9158, and 9045, respectively).

Very Truly Yours,



Louis E. Gitomer

Enclosures

RECORDATION NO. 21671-B FILED

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1-57PM

EXECUTION COPY

**MEMORANDUM OF SECURITY AGREEMENT
AND LEASE ASSIGNMENT**

dated as of November 12, 1998

between

SOUTHERN RAIL LEASING, INC.
as Borrower

and

CRESTAR LEASING CORPORATION
as Lender

**FILED WITH THE SURFACE TRANSPORTATION BOARD
PURSUANT TO 49 U.S.C. § 11301
on November __, 1998 at __:__.m.**

MEMORANDUM OF SECURITY AGREEMENT AND LEASE ASSIGNMENT

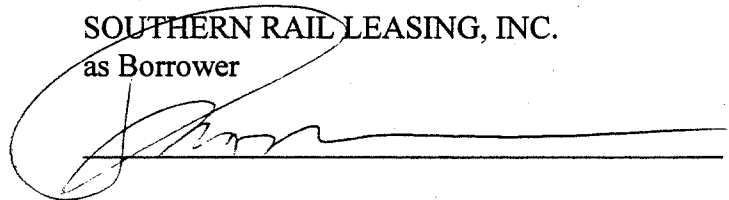
This Memorandum of Security Agreement and Lease Assignment, dated as of November 12, 1998, by and between SOUTHERN RAIL LEASING, INC. (the "Borrower"), and CRESTAR LEASING CORPORATION (the "Lender").

1. The Lender has made a loan to the Borrower pursuant to a Loan and Security Agreement, dated as of September 25, 1998 (the "Security Agreement").

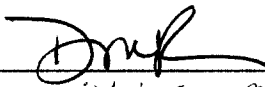
2. Pursuant to the Security Agreement, Borrower grants to Lender a security interest in all of Borrower's right, title and interest in and to (but none of its obligations with respect to) (i) twenty (20) railcars, as modified by the Borrower or at its direction, having running numbers SRLX 2010 through 2029, inclusive (the "Railcars") as more fully described in attached Exhibit A, and all replacements, substitutions and alternatives therefor, and thereof and accessions thereto, now owned or hereafter acquired, (ii) that certain Lease Agreement dated as of January 20, 1998 (the "Agreement"), between Borrower, as Lessor and Plasser American Corporation, Inc. ("Lessee") and Schedule Number __ thereto, dated as of _____, 1998 (the "Schedule"; and collectively with the Agreement, as amended and supplemented from time to time, the "Lease"), and (iii) all rent, insurance and other casualty payments, and all other sums due now or hereafter under or with respect to any or all of the Railcars or the Lease, and all other proceeds of the foregoing.

IN WITNESS WHEREOF, each of the parties hereto has caused this MEMORANDUM OF SECURITY AGREEMENT AND LEASE ASSIGNMENT to be executed by its duly authorized officer as of the date first above written.

SOUTHERN RAIL LEASING, INC.
as Borrower



CRESTAR LEASING CORPORATION
as Lender

By: 
Name: DANIEL MCKEW
Title: PRESIDENT

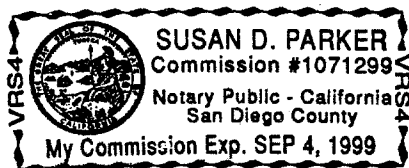
STATE OF CALIFORNIA)

) to wit:

COUNTY OF SAN DIEGO)

I hereby certify that on this 5th day of November, 1998, before me, the undersigned Notary Public of the State of CALIFORNIA, personally appeared Philip Hoffman, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he/she executed the same for the purposes therein contained.

IN WITNESS MY Hand and Notarial Seal.



[Signature]
NOTARY PUBLIC

My Commission Expires: 9-4-99

STATE OF MARYLAND)

) to wit:

CITY OF BALTIMORE)

I hereby certify that on this ____ day of November, 1998, before me, the undersigned Notary Public of the State of Maryland, personally appeared DANIEL J. MCKEW, who acknowledged himself to be the President of CRESTAR LEASING CORPORATION, a Virginia corporation, and acknowledged that he, as such President, being authorized so to do, executed the instrument for the purposes therein contained by signing the name of CRESTAR LEASING CORPORATION by himself as President.

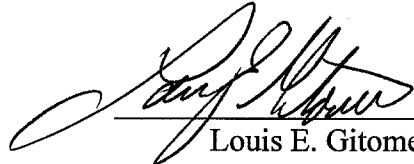
IN WITNESS MY Hand and Notarial Seal.

[Signature]
NOTARY PUBLIC

My Commission Expires: 1-14-99

CERTIFICATION

I, LOUIS E. GITOMER, have compared this copy to the original Memorandum of Security Agreement and Lease Assignment dated as of November 12, 1998, and found the copy to be complete and identical in all respects to the original document. I declare under penalty of perjury that the foregoing is true and correct.



Louis E. Gitomer
November 12, 1998